

CHAPTER 47  
VESSEL BONDING

**571—47.1(462A) Bond required before issuance of title or registration.** If the county recorder or the department is not satisfied as to the ownership of a vessel or that there are no undisclosed security interests in the vessel, the recorder or the department shall require completion of the following procedure prior to issuing title or registration:

**47.1(1) Identification.** The applicant shall contact the department and provide the department with identifying information in regard to the vessel. The required identifying information shall include the hull identification number, if applicable, and such additional information as may be requested by the department. If no hull identification number is currently affixed on a vessel otherwise required by law to have a hull identification number, the applicant shall complete the department's procedure for obtaining such number, and the assigned number shall be affixed before the applicant may proceed with the application process set forth in this chapter.

**47.1(2) Records search.** Upon receipt of sufficient identifying information from an applicant, the department shall:

*a.* Search the state files to determine if there is an owner of record for the vessel and if the vessel has been reported stolen; and

*b.* Notify the applicant, orally or in writing, in regard to whether a record of prior ownership has been located and, if so, provide the name and last-known address of the owner of record.

**47.1(3) Examination.** At any time after being contacted by the applicant and before approval of an application, the department may examine the vessel.

**47.1(4) Notice to owner of record.** If the department finds a record of prior ownership in the state files, the applicant shall notify the owner of record at the owner's last-known address by certified mail, return receipt requested. The notice shall state that the owner of record may assert the owner's right to claim the vessel. If neither the applicant nor the department receives a response from the owner of record within ten days after receipt of notice or the post office returns the notice to the applicant as undeliverable or unclaimed, the department will continue processing the bond application.

**47.1(5) Submission of application.** The applicant shall submit an application on DNR Form 542-8067. The form shall include a statement obtained from an Iowa-registered dealer for vessels indicating the current value of the vessel. The following documents shall be submitted with the application form:

- a.* Photographs of the vessel which show the front, rear, and one side of the vessel.
- b.* The written ownership document received at the time that the vessel was acquired.
- c.* Satisfactory proof of the hull identification number or DNR Form 542-2000.
- d.* The undeliverable or unclaimed certified letter and envelope addressed to the previous owner or the signed certified mail receipt, if a record of prior ownership was located by the department.
- e.* A surety bond on DNR Form 542-8092 in an amount equal to one and one-half times the current value of the vessel.

**47.1(6) Approval.** If the department determines that the applicant has complied with this rule, that there is sufficient evidence to indicate that the applicant is the rightful owner, and that there is no known unsatisfied security interest, the department shall forward the original application to the county recorder and notify the applicant that the vessel may be registered in Iowa.

**47.1(7) *Disapproval.*** If the department determines that the applicant has not complied with this rule, that there is sufficient evidence to indicate that the applicant may not be the rightful owner, that there is an unsatisfied security interest, or that the owner of record asserts a claim for the vessel, the department shall not authorize issuance of a certificate of title or registration receipt and shall notify the applicant in writing of the reason(s).

This rule is intended to implement Iowa Code sections 462A.5 and 462A.5A.

[Filed 3/14/03, Notice 10/30/02—published 4/2/03, effective 7/1/03]

[Filed 8/13/04, Notice 6/9/04—published 9/1/04, effective 10/6/04]

## CHAPTER 48

Reserved